

Health Insurance Status of Massachusetts Adults

This publication is the third in a series of monographs based on the results of the Division of Health Care Finance and Policy's 2000 Health Insurance Status of Massachusetts Residents Survey. This series is also available on our web site: www.state.ma.us/dhcfp.

Access to health care has long been an indicator of one's quality of health. Literature suggests that health insurance coverage can affect adults' access to health care and in turn, impact their health status. Health insurance coverage is a common indicator of access. Without health insurance, adults are less likely to have a primary care physician, for example.

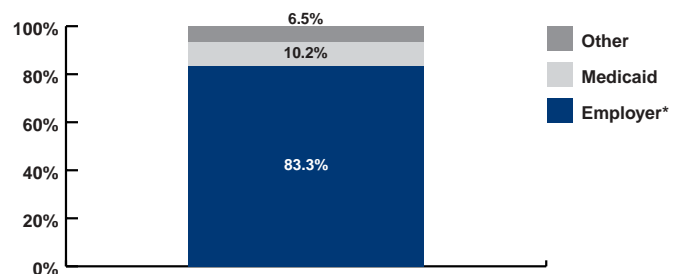
Research shows that non-elderly adults are 40% more likely to be uninsured and much less likely to have public insurance such as Medicaid¹ than children. This issue of *Access Update* presents findings from the 1998 and 2000 health insurance status surveys by the Division of Health Care Finance and Policy and highlights the significant differences in health status and health service utilization between insured and uninsured adults in Massachusetts.²

Key Findings of the 2000 Survey

- The rate of uninsured adults decreased by over 25% from 10.8% in 1998 to 8% in 2000.
- The majority (56%) of uninsured adults are between ages 19 and 34.
- More males than females are uninsured.
- The Southeast region has the largest percent of uninsured adults (10.1%). The Worcester and Western regions have the second largest percent of uninsured adults, with 7.8% and 7.6% respectively.
- Hispanic adults are more likely to be uninsured (24.2%) than other racial or ethnic groups. Black adults have the second highest uninsured rate (16.2%).
- Uninsured adults are more likely to live in low-income households³ (42%) than are insured adults (14.4%).

- Most non-elderly adults receive health insurance coverage through their employer (78.8%), with Medicaid (10.2%) being the second largest source of health care coverage (see Figure 1 below).

Figure 1
Source of Insurance for Non-Elderly Adults



* Employers providing health insurance coverage include coverage provided by the military, a group purchaser or past employers.

Background

The latter half of the 1990s saw a strong economic boom in Massachusetts resulting in record low unemployment rates and an increase in job growth. At the same time, the Medicaid program expanded coverage under a Section 1115 Medicaid research and demonstration waiver. This waiver expanded coverage to children (ages 18 and younger), pregnant women and their newborns, and adults living in households with income up to 200% of the federal poverty level (FPL).⁴ Since the waiver's implementation, MassHealth enrollment has increased by 65.5% for low-income adults insuring 416,281 Massachusetts adults.⁵

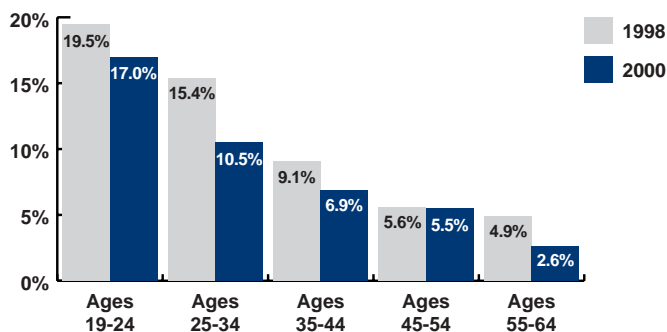
In accordance with a 1997 legislative mandate, the Division of Health Care Finance and Policy conducted two state-spon-

sored surveys to identify the characteristics and health-related decision making patterns of the uninsured and underinsured populations. Each survey was conducted between February and July of their given year. The 1998 survey collected data on 4,419 adults ages 19 to 64 and the 2000 survey gathered data on 4,375 adults of the same age group. Both surveys used a random digit dialing methodology where the sample was drawn from a computer-generated random list of telephone numbers. The survey questionnaire was available in Spanish and English. Responses to survey questions were weighted in order to reflect current population estimates.

Demographics

Age. The highest rate of uninsured people in Massachusetts (8%) is among non-elderly adults ages 19 to 64. Among all adults, the largest percent of uninsured individuals are between ages 19 and 34 (56%). Within each age group, those ages 19 to 24 have the highest uninsured rate (17%). The 25 to 34 age group has the second highest uninsured rate (10.5%) and the second largest decline (32%) in the rate of uninsured between 1998 and 2000. The 55 to 64 age group exhibited the largest decrease (almost 50%) in their uninsured rate (see Figure 2 below).

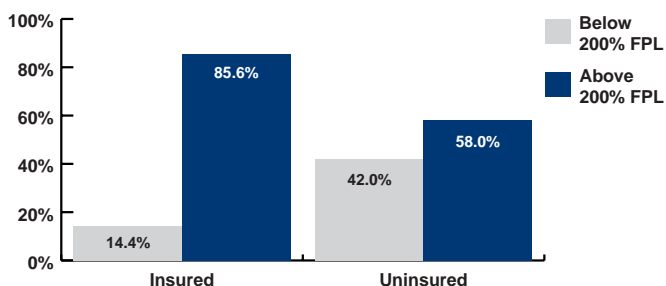
Figure 2
Percent of Uninsured Non-Elderly Adults within Age Group



Income. More uninsured adults (58%) live in households with incomes above 200% of the federal poverty level (FPL). While this is consistent with successful state sponsored expansion efforts to insure low-income adults, uninsured adults are more than twice as likely to reside in low-income households with income at or below 200% of the FPL than

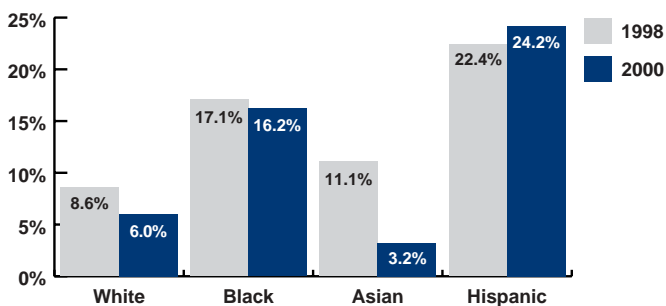
are insured adults. Nearly 86% of insured adults report residing in households with income above 200% of the FPL (see Figure 3 below).

Figure 3
Percent of Non-Elderly Adults by Insurance Status and Income



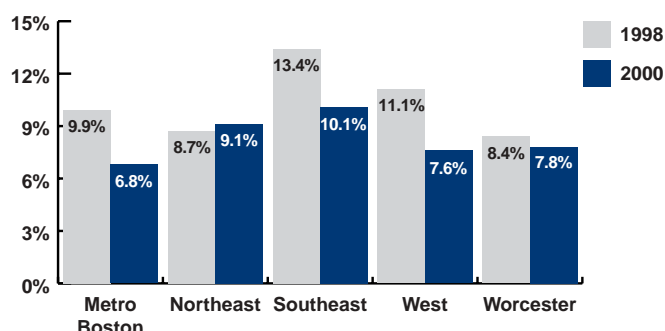
Race. The Hispanic population has the highest uninsured rate (24.2%) which increased by almost 2% between 1998 and 2000. The white and Asian populations have the lowest rates of uninsured adults, with 6% and 3.2% respectively. While the uninsured rate among black adults has declined slightly, the uninsured rate for white adults has declined by almost one-third. Although the Asian population exhibited the largest decline in the uninsured rate (71.1%) between 1998 and 2000, this may be attributable to the small number of Asians captured in the survey (see Figure 4 below).

Figure 4
Percent of Uninsured Non-Elderly Adults within Race and Ethnic Group



Region. Each region experienced a decline in the rate of uninsured, with the exception of the Northeast where the rate remained practically unchanged. The largest proportion of uninsured adults are found in Metro Boston (32.2%) and the Southeast (23.9%) regions of Massachusetts. The Southeast has the highest rate of uninsured (10.1%). The Worcester and Western regions have the second highest rate of uninsured, with 7.8% and 7.6% respectively. The greatest strides in decreasing the uninsured rate among adults are found within the Metro Boston and West regions, showing 31% and 32% declines respectively between 1998 and 2000. Despite the high percentage of uninsured adults in the Southeast region, there was a 25% decline in their regional uninsured rate between 1998 and 2000 (see Figure 5 below).

Figure 5
Percent of Uninsured Non-Elderly Adults within Region



Employment. The majority of both uninsured (71.7%) and insured (81.9%) adults are employed. The working uninsured, however, are more likely to be self-employed than the insured (29.4% compared to 10.9%). The working uninsured are also less likely to work for the same employer for more than a year, are less likely to work full-time, and are more likely to work for a small firm with less than 50 employees. Lack of employer-sponsored health care coverage and cost may account for the remaining number of employed adults that are uninsured. Seventy-five percent of uninsured working adults report being ineligible for employer-sponsored health insurance coverage, and of the remaining 25% who are eligible, 70% report cost as the primary reason for being uninsured.

Access and Utilization. While health insurance coverage does not ensure better health, it is highly correlated with access

to health care and health status. Consistent with past research, the survey data indicate that uninsured adults are more likely to rate their own quality of health as fair to poor and are less likely to utilize such health care services as doctor visits, than are insured adults. While most uninsured adults (58.8%) and insured adults (73.4%) reported needing medical care in the past 12 months, insured adults were 26% more likely to seek this care than were the uninsured adults. For the most recent medical care sought, almost 60% of uninsured adults paid out-of-pocket and another 21% received services paid for by the Massachusetts Uncompensated Care Pool,⁶ suggesting that cost is likely a barrier to seeking appropriate health care.

Insured adults are almost twice as likely to visit a doctor than are uninsured adults (84.6% versus 46.8%, respectively). Nearly 80% of insured adults made between one and ten visits to the doctor in the past year, compared with only 43% of uninsured adults. In contrast, while only a small percent of all adults visited the emergency room in the past year, uninsured adults (32.2%) were more likely to make one or more visits than were insured adults (25.3%). Although uninsured adults are more likely to utilize emergency room services, it is striking that insured adults are far more likely to make physician office visits. These findings suggest that the uninsured lack access or opt not to obtain routine care from a primary care physician on a regular basis (see Figure 6 below and Figure 7 on page 4).

Like uninsured children, uninsured adults are less likely to visit the dentist than are insured adults according to survey responses. Insured adults (83.3%) are over 80% more likely to visit the dentist than are uninsured adults (46.1%). One possible explanation for this sizable disparity is the high cost

Figure 6
Percent of Non-Elderly Adults by Insurance Status and Physician Office Utilization

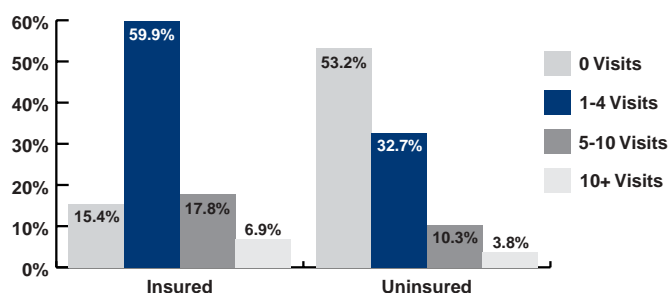
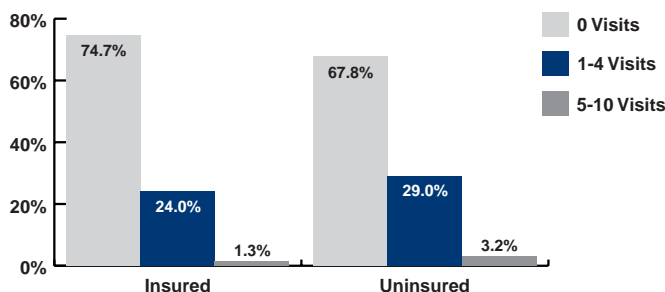


Figure 7
Percent of Non-Elderly Adults by Insurance Status and Emergency Room Utilization



of comprehensive or even routine dental care. However, less access to preventive routine dental care could result in more complex and costly treatment when care is finally sought (see Figure 8 top right).

These utilization trends are significant considering the slightly higher number of uninsured adults with chronic medical conditions or disabilities. About 13% of uninsured adults reported having a medical condition or disability, compared with only 10% of insured adults. Slightly fewer uninsured adults report a chronic medical condition lasting three months or longer than do insured adults (23.9% compared with 29.2%, respectively). Insured chronically ill adults were one and a half times more likely to make visits to the doctor for their condition than were their uninsured counterparts. Furthermore, in the past three months, only 43% of these uninsured adults, compared with 78% of the insured chronically ill adults, filled a prescription or took the medicine prescribed for their condition (see Figure 9 right).

Conclusion

As indicated by the survey results, state sponsored expansion efforts coupled with a strong economy contributed to the declining number of low-income uninsured adults in Massachusetts. Yet, non-elderly adults continue to represent the largest number of uninsured, specifically among the younger adult population. Since the remaining uninsured appear to be harder to reach, we must first identify specific barriers to insurance such as employment status, economic stability and perceived need. Key policy makers are committed to improving access to health care and insurance. With the existing data, as well

Figure 8
Percent of Non-Elderly Adults by Insurance Status and Dental Office Utilization

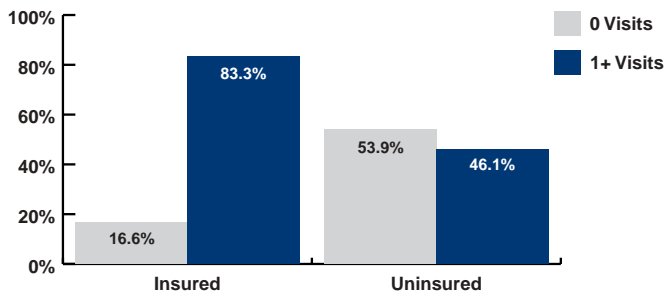
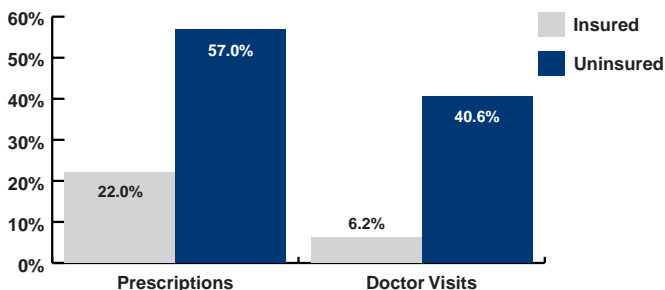


Figure 9
Percent of Adults Not Seeking Care for Chronic Condition by Type of Care* and Insurance Status



*Types of care are not necessarily independent of each other.

as future research efforts, it is hopeful that these adults will benefit from direct public policy initiatives aimed at serving their health needs.

1. Spillman, Brenda C. "Adults Without Health Insurance: Do State Policies Matter?" *Health Affairs*. Vol. 19: 4, July-August, 2000.
2. In this monograph percentages are based on the non-elderly adult population, ages 19-64.
3. In this monograph low-income households are households with income below 200% of the federal poverty level.
4. Center for MassHealth Evaluation and Research. *Massachusetts Title XXI Children's Health Insurance Program Annual Report*, April 5, 1999.
5. Division of Medical Assistance. *Caseload Snapshot Report*, April 30, 2001.
6. The Uncompensated Care Pool pays for medically necessary services for low-income uninsured and underinsured people provided by acute hospitals and community health centers in Massachusetts.